

Construction Managers as Leaders: Working Collaboratively to Produce Successful Projects

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“The number one problem in construction is effective project LEADERSHIP. In the future there will be less owner construction expertise, creating a leadership vacuum that the CM profession must step forward to fill. This requires that the CM accept responsibility for the project, and develop a collaborative relationship with both the A/E and the construction contractor in order to effectively lead the project team to success.” (Hixon, CMAA Fall Conference 2003, San Diego, California).

Every project needs a leader who will ensure the project is completed the way it was envisioned for scope and quality, and also ensures it is completed on time and within the budget contemplated.

In the past the owner provided project leadership and maintained a significant technical staff that would develop the scope of work and the project budget as a consequence of discussions with the portfolio personnel and tenants slated to occupy the space. The architect/engineer (A/E) would then be provided with the scope of work and budget and proceed to develop the design. At the end of each design phase the design documents and budget would be reviewed by the owner's technical personnel to verify that the design documents were complete, coordinated, contained the full and proper scope, and were within the prescribed budget. This design review also allowed the technical staff to ensure that the design met their building standards for such items as roofing systems, electrical systems, emergency generator systems, etc. When the project began construction, the owner provided a seasoned site engineer to oversee the construction and provide timely direction for the construction effort.

To assist with this effort the owners contracted for a construction manager to supplement the owner's field staff. Three types of performance have characterized the construction manager performance during construction in the past. CM's were either: 1. Performing like “junkyard dogs” aggressively attacking the Architect/Engineer and construction contractor to prove their value to the owner; 2. Felt their role was to simply “observe and record” what happened on the project with no responsibility or liability for successful project outcome; or 3. If the contract period were over they would leave regardless of the status of the project unless the owner increased the contract duration. They felt they had no obligation if the contract period was extended. These behaviors are certainly not in the project's best interest and often did not really serve the owner's interest very well.

The cause for this type of CM performance was often the result of the owner's contract with the CM, or the owner's expectations. Owners were looking to supplement their staff not replace it. An example is a project in Oregon where the CM was even told by the Contracting Officer to stop interacting directly with the contractor, that direct contact with the contractor was the owner's role. Fortunately that incident was years ago, and even uncommon then.

The result of these approaches was that no individual was responsible for the success of the project, or the failure to maintain the schedule or stay within the budget.

The owners' technical staffs are now limited, and will become even more limited over time. All owners are eliminating facility technical personnel in favor of focusing on core business elements, and are now contracting for those services previously provided by in-house personnel. Owners' field site engineers are also being provided less often resulting in only a periodic owner

presence at the project site. The CM is now required to pick up most of the duties of former owner in-house personnel to ensure project success, including the role of project leadership.

As a consequence of the above, the owners need someone to provide the above functions to ensure project success. They need someone who will coordinate the program requirements, ensure the program is accomplished by the design, and that the design be properly constructed. The project must meet the quality requirements and be accomplished within the contemplated schedule and budget. To accomplish all of this someone must manage the project from beginning to end and provide leadership to get the diverse elements of the project team to work together for the success of the project.

The “enlightened owner” is looking for **project leadership** by the CM for the entire project team including the A/E, construction contractor, commissioning agent, security consultant, telecommunications consultant, and others. Owners are looking for a CM with great integrity so they can be a trusted advisor and counsel the owner regarding unrealistic or unattainable goals. The CM Executive must be directly involved in the project to provide their significant knowledge and skill in managing the project to success, not simply providing oversight as part of project overhead. The CM must manage project activities as outlined in the CMAA Standards of Practice for quality, schedule, budget, etc., and also be strong in relationship building, team building and team alignment. In this relationship the owner is not the watchdog (auditor), but a teammate and collaborator.

This is all a good beginning, but what owners really need from the CM is the **willingness to accept responsibility to provide outstanding projects and also provide value.**

The CM must provide LEADERSHIP of the project team including the multi-headed owner. As the project leader, the CM must be looking out for the success of the project first, to include advising the owner when he is jeopardizing project success. The CM must ensure the project remains on schedule and within budget from program development to construction completion. The CM must also ensure the project contains the quality expected and the full scope of work by providing a thorough review of the design documents to ensure they are coordinated and complete.

Today the CM’s work should begin with an understanding of the owner’s “business goals” including the anticipated Return on Investment (ROI). Understanding the ROI allows the CM to know if the budget can grow, if additional income can result to the owner for things such as providing additional rental square footage, or if the budget is fixed. The owner’s “project goals” must be understood, the project team aligned, the delivery method selected; budget goals identified; pre-project planning conducted; the schedule developed; the A/E design submission reviewed for budget, schedule, quality and constructability; market surveys conducted; commissioning planning developed; and procurement assistance provided.

For the construction phase, the goals addressed by the CM must ensure the project has high quality, full scope, is within budget and on schedule. To achieve these goals the CM must develop a strong collaborative relationship with the A/E; construction contractor and owner so all are pulling in the same direction. Development of the collaborative relationship with the contractor requires specific and direct involvement of the CM with the owner. The CM must ensure that the contractor’s issues are resolved in a timely manner, and that full payments are made monthly. Inspections must be made timely to avoid rework on the project. RFI’s must be answered in days, not weeks, and that usually requires use of a project ePM system. Change orders are easily abused and can result in both direct and indirect added cost as a consequence of

untimely action. Changes must be resolved in weeks so that direction is provided, rework is avoided and a definite project completion date maintained. The CM must also implement the Project Commissioning Plan that is planned in design, developed in the early construction phase and implemented in the late construction phase.

The above actions by the CM will create the opportunity for the project to be a success and enjoyable to all parties. A secondary benefit is the lower opportunity for claims to occur.

In conclusion, CM firms that accept this responsibility to ensure owners' receive projects that are delivered with high quality, full scope, on time and within the budget will continue to prosper. Owners will come to rely more heavily on those CM's to manage their projects, and will rehire these same outstanding firms again and again.